## **LEGAL NOTICE**

## STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Clarion Hotel Shreveport, Broadmoor Room, 1419 East 70<sup>th</sup> Street, Shreveport, Louisiana, at 9:00 a.m. on **THURSDAY**, **OCTOBER 30**, **2008**, upon the application of **COMSTOCK OIL & GAS-LOUISIANA**, **LLC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Upper Hosston Formation**, the **Lower Hosston Formation**, the **Cotton Valley Formation**, and the **Haynesville Zone**, **Reservoirs A**, in the Belle Bower Field, DeSoto Parish, Louisiana.

- 1. To create five (5) additional drilling and production units for the exploration for and production of gas and condensate from the Lower Hosston Formation, Reservoir A.
- 2. To create three (3) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A.
- 3. To create six (6) additional drilling and production units for the exploration for and production of gas and condensate from the Haynesville Zone, Reservoir A.
- 4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units, with allocation of production to the tracts within each such unit to be on the basis of surface acreage.
- 5. To designate Comstock Oil & Gas-Louisiana, LLC as unit operator and designate unit wells for the proposed units, as may be appropriate.
- 6. To provide that, with respect to future horizontal wells drilled to the Haynesville Zone, Reservoir A, in the proposed units, where the horizontal portion of the well is cased and cemented back above the top of the Haynesville Zone, Reservoir A, the distance to any unit boundary and between wells will be calculated based on the distance to the nearest perforation in the well, and not based on the penetration point or terminus
- 7. To provide that future wells drilled to the Haynesville Zone, Reservoir A, within or outside of the units proposed herein, should be located no closer than 330 feet to any unit line and no closer than 660 feet to any well completed in, drilling to, or for which a permit has been granted to drill to the Haynesville Zone.
- 8. To permit the downhole combination of production from the Lower Hosston Formation, Reservoir A and the Upper Hosston Formation, Reservoir A, with respect to the proposed L HOSS RA SUI thru L HOSS RA SUL and the existing units U HOSS RA SUV thru U HOSS RA SUX and U HOSS RA SUSS, in any well drilled on these units in which the acreage and ownership interests in the units from which production is combined downhole are identical.
- 9. To permit the downhole combination of production from the Lower Hosston Formation, Cotton Valley Formation and Haynesville Zone, Reservoirs A, in the proposed or existing units with respect to any well drilled thereon as to which the acreage and ownership are identical, such units to include the following: CV RA SUI and HA RA SUC; CV RA SUJ and HA RA SUD; L HOSS RA SUC, CV RA SUC and HA RA SUE; L HOSS RA SUD, CV RA SUD and HA RA SUF; L HOSS RA SUE, CV RA SUE and HA RA SUG; and L HOSS RA SUM, CV RA SUK and HA RA SUH.
- 10. To consider such other matters as may be pertinent.

The Upper Hosston Formation, Reservoir A was fully defined in Office of Conservation Order No. 312-C, effective December 16, 1977.

The Lower Hosston Formation, Reservoir A was fully defined in Order No. 312-D, effective December 16, 1977. The Cotton Valley Formation, Reservoir A was defined in Order No. 312-E, effective December 16, 1977.

The Haynesville Zone, Reservoir A is hereby defined as the stratigraphic equivalent of that gas and condensate

bearing interval encountered between the measured depths of 9,800' and 11,256' in the Comstock Oil & Gas-Louisiana, LLC-Caraway Estate No. 2 Well, located in Section 20, Township 12 North, Range 16 West.

Plats are available for inspection in the Office of Conservation in Baton Rouge and Shreveport,

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

## JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 9/24/08;9/27/08 S lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.